

97-84277-16

Dixon, James

Speech of
Hon. James Dixon...

Washington, D.C.

1868

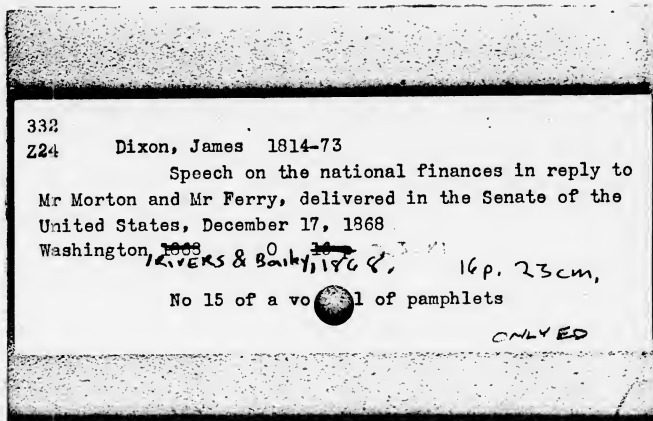
97-84277-16

MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD



RESTRICTIONS ON USE: Reproductions may not be made without permission from Columbia University Libraries.

TECHNICAL MICROFORM DATAFILM SIZE: 35mmREDUCTION RATIO: 10:1IMAGE PLACEMENT: IA (IIA) IB IIBDATE FILMED: 12-8-97INITIALS: FBTRACKING #: 29999

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

3312
No 5 332
201
SPEECH

OF

HON. JAMES DIXON,

OF CONNECTICUT,

ON THE NATIONAL FINANCES,

IN

Reply to Mr. Morton and Mr. Ferry.

DELIVERED

IN THE SENATE OF THE UNITED STATES,

DECEMBER 17, 1868.

WASHINGTON:
F. & J. RIVES & GEO. A. BAILEY,
REPORTERS AND PRINTERS OF THE DEBATES OF CONGRESS.
1868.

NATIONAL DEBT.

The Senate having under consideration the resolution in regard to the national debt—

Mr. DIXON said:

Mr. President: If we commence by acknowledging the propriety of any expression of opinion by the Senate of dissent or disapprobation of a measure recommended by the President of the United States otherwise than by legislation adverse to it, then we must admit, I think, that the Committee on Finance are entitled to a great deal of credit for having modified the form of the phraseology in which the Senator from New Jersey [Mr. CASTELL] saw fit, in the first place, to introduce his resolution. Compared with the somewhat violent language first used it is very temperate and moderate, and I give the gentleman himself great credit for having on further reflection, and perhaps with the advice of the committee, modified and tempered the form of his language. As it now stands, it is merely an expression of opinion adverse to the proposition of the President of the United States, and being myself opposed to that proposition, I can vote for the resolution. I do not approve of the proposition; and I can therefore give a vote against it. But, sir, I do not in giving that vote at all consent to the idea that the President has made a proposition of repudiation or that he is himself a repudiator.

In the first place, this recommendation, if you call it such—and I am willing for the purposes of this argument to take the ground of the gentlemen themselves and regard it as a recommendation made by the President—does not appear to be proposed by him as compulsory upon the bondholders. In fact, the form of the language is otherwise. He expressly says, to begin with, that in his judgment our national credit should be sacredly observed. He has before said that it is possible that the bondholders themselves would not be averse to a settlement of our indebtedness upon a plan which would yield them a fair remuneration and at the same time be just to the taxpayers of the nation. Whether the proposi-

tion he makes is a fair one or not; whether it is a reasonable one or not; whether it is a practicable one or not, it is perfectly plain that the President proposes it, not as a compulsory scheme, but as one to which the bondholders, in his own language, "may not be averse." He may misjudge in supposing they will not be averse to it, but he expressly so declares.

I do not think the President of the United States has on this floor an enemy—if it may be supposed that he has an enemy anywhere, and especially here—so hostile, so inveterate, as not to rejoice to find, if it be so, that the President does not propose a measure of repudiation. What he proposes may be unwise, impracticable; it may be indiscreet; but no matter how unreasonable, if it is not compulsory it is not in any sense repudiation. Why, sir, he might propose that the bondholders should abandon the whole debt and give it to the nation, and he might say it would be an act of patriotism on their part; but to say so would not be to say that he would compel them to do it.

Now, sir, in examining this subject it is necessary for us to do what Dr. Johnson recommended to Boswell, to "free our minds from cant," from hypocrisy, and from pretension. Is this the first proposition that has been made for a modification of the national debt? One would suppose, from what we have heard here, that there has been no proposition before for any modification of the form of the national debt. Let us see how that is.

I will say here once more by way of caveat, for the benefit of the reporters in the gallery, that I am opposed to this scheme and all other schemes having any appearance of repudiation or of any change in the form of the debt, either in principal or interest, except by the free consent of the bondholders; and in examining this proposition I wish that to be understood, otherwise somebody may misunderstand me or misrepresent me as wishing in some way to palliate or excuse repudiation.

Now, sir, let us look at this matter. We have

an enormous debt, immense in its total, inconceivable in its amount. When you undertake to conceive of this vast globe of earth on which we live you cannot conceive of it as one body. It is wholly impossible for the human mind to grasp it, because when we think of such a physical object we consider it only through the senses of touch and of sight, and what we cannot see or touch as a whole we cannot conceive of as a physical object except by dividing it into fragments. So of this debt; no human mind can conceive of \$2,500,000,000. You may conceive of the separate units; but of the debt itself you can form no conception. It is inconceivably immense in its amount. The condition in which it places us is by no means agreeable. Our duty, however, is plain: we are to meet it boldly and resolutely, and the debt must be paid to its uttermost farthing.

We are not the first nation that has been in this condition. If it is feared that the English people may accuse our President of repudiation let us for a single moment consider some of the plans and schemes which have been proposed with regard to their debt, and those plans in many cases compulsory. In the reign of George I. there was a proposition made by Mr. Archibald Hutcheson to repudiate one-tenth of the entire debt and to tax the nation for the remainder, and pay off the whole of that remainder at once. In the year 1825 that scheme was revived in the English Parliament, was advocated in the public prints by as distinguished a political economist as Mr. Ricardo, and was also seriously and solemnly advocated, in the year 1827, in an article in the *Edinburgh Review*. It was said by one statesman that "they must either destroy the debt or the debt would destroy them." The proposition was to actually repudiate ten per cent. as a tax upon the bondholders, and then to tax the whole community, including the bondholders, twelve percent. of their whole property, for the purpose of paying it off.

But if our English creditors are still disposed to attribute to our purposes of repudiation, it may perhaps be well for them to recall to their recollection some other serious propositions made by British writers of high character and vast influence to repudiate a portion of the national debt of England when the taxes required for its payment shall be so large as to "encroach on the capital of the country." I submit the following from the *Edinburgh Review*, volume thirty-three, page 65. It needs no comment; but we cannot but be struck by the similarity of its reasoning in the closing sentences with some of the ideas suggested in the President's message. The idea that "public creditors may be in strict justice bound to submit to some reduction on account of the increased value of the currency since the period when the existing debt was borrowed," it will be seen is an idea originating not with the President, but with

British writers. Their mouths, therefore, must be closed on this subject:

"It is no doubt true that the first duty of Government, in matters of finance, is to keep faith with the public creditor; and it was on this principle that Parliament imposed the new taxes at the last session. But if even with these new taxes such a deficit were to arise as we are now contemplating, it is impossible not to see that a case would be made out for the country and against the stockholder to which no former practice or acknowledged principle would any longer be applicable. So long as taxes can be levied from the free income of the subject, so long the most rigid faith must be kept with the public creditor. But when they come to encroach on the capital, and of course to diminish those springs of wealth from which all expenditures must be supplied, their increase becomes not only oppressive but impossible, and their cessation a matter not of nominal but actual necessity. In such a state of things, therefore, which can no longer be represented as extremely unlikely to occur, we shall soon become familiar with other maxims than those to which we have been so long accustomed; and after having witnessed the facility with which the public was led to approve of the application of the sinking fund to the current expenses of the State, we should not be at all surprised to find the reduction of the dividends became a topic of general speculation, and even a favorite project of finance. We mean neither to argue here nor to express any opinion of our own with regard to it; but we have no doubt that a multitude of plausible arguments will very speedily be mustered up for its support; and that, besides assuaging the purchasers of stock to the purchase of any other concern where the prospect of gain is compensated by the risk of loss, it will be strongly urged that they are, in strict justice, bound to submit to some deduction on account of the increased value of the currency since the period when at least \$200,000,000 of the existing debt was borrowed. Had the depreciation been openly avowed at the time no subscriber could have objected to its being made a condition that he should be repaid with a sum equal in value though smaller in nominal extent to what he had actually advanced. Those things may become necessary."

I will not follow up the various other propositions made in England with regard to their debt, nor will I go into the manner in which they have reduced their interest by consolidation, much of which has been in a certain sense compulsory; but I will come to our own country. What has been done here? What have been the plans proposed here? I wish to show what, perhaps, may surprise some Senators without considering it, but which they will find to be true as soon as they apply their minds to the subject and resort to a little practical arithmetic. I wish to show that the scheme of the President is certainly as good, if not far better, for the bondholder than some plans which have been proposed by some others who have escaped the denunciation of the Senate.

In the first place, there was the plan known as the plan of Mr. Pendleton, which proposed an entire payment of the debt, as I at first understood it, by an issue of greenbacks. Mr. Pendleton perhaps somewhat modified it afterward. If the law had expressly provided that the debt might be paid in paper currency that proposition of Mr. Pendleton, in my opinion, would have been ruinous, not only to the bondholder but to the people, for the reason that it would

have unfunded the national debt, so to speak, and poured into the business of this country an immense flood of currency which would have overwhelmed every interest in one universal deluge of destruction. That was the sufficient answer to it. If we had the right to do it I should not have considered it for a moment. Mr. Pendleton was by some denounced as a repudiator, but he did not acknowledge the charge. I will say nothing in regard to his purposes or his views, further than that his known character as a patriot and a statesman forbids the idea that he intended repudiation.

There was another proposition made by a Senator on this floor, the honorable Senator from Ohio, [Mr. SHERMAN.] Certainly nobody can call him a repudiator. What did he propose? He proposed a long loan of forty years at three and sixty-five hundredths per cent. interest, and I am compelled to say that, taking his speech by which he accompanied that bill and the bill itself together, it was a compulsory scheme.

Mr. SHERMAN. I do not wish to interrupt my friend, but I must say that I never made such a proposition.

Mr. DIXON. I will show in what sense it was compulsory.

Mr. SHERMAN. It was not to correct that that I rose; but I never made a proposition for a loan at less than five per cent.

Mr. DIXON. Perhaps I have done the Senator injustice, but it will be observed that the rate of interest is immaterial if the reduction were to be compulsory. The principle involved is the same. I know the bill was modified greatly by the committee. In the printed bill, between the brackets and italics, it is pretty difficult to tell what was the Senator's view and what was the committee's; but the Finance Committee, of which he was chairman, reported a bill here which proposed on its face an exchange of the present bonds for bonds at three and sixty-five hundredths per cent. interest, running forty years. That is on the face of the bill. What was the speech of the Senator by which he accompanied it, by which he enforced and advocated it? He declared that, in his judgment, the terms of the law creating the loan authorized the Secretary of the Treasury in negotiating the new loan to tell the existing bondholders that they must accept that or they must take their pay in lawful paper money of the United States. That the Senator declared to be his opinion of the law. He had a right to hold that opinion of the law. To believe that that was the intent and meaning of the law was no repudiation. It was a legal question. There was a great deal in his argument. The same view was at one time in the mind of the honorable Senator from Indiana who addressed us yesterday, [Mr. MORTON.] He declared himself partially of the same opinion.

Now, sir, would it be believed, after hearing the remarks of the honorable Senator from Michigan yesterday, that the proposition of the President of the United States is as favorable for the bondholder as that?

Why, sir, the mistake of the President was, if he wished to propose a plan of this kind which would be accepted by the bondholders, that he did not make the annuity long enough; he cut it very short, and in that way it is so objectionable that it will not be accepted. But suppose the President had made a proposition of this kind; suppose he had proposed the same length of time as the Senator did in his bill, a forty-year annuity at six per cent. The Senator would then have said it was repudiation of principal and interest, as he says now; but what would be the effect of it? There would be an extra two and one third per cent. interest for forty years to be paid to the bondholder, which at compound interest amounts to not far from three thousand dollars. Senators do not consider what the effect of a long annuity is, nor what the effect of compound interest is. If they will sit down and figure for a few moments they will find that the President has not been guilty after all of such very great injustice. Take a twenty-year annuity; the difference between a four per cent. annuity and a six per cent. annuity, at twenty years only, is nearly one thousand dollars at compound interest. Still, the Senator from Michigan says this is repudiation of both principal and interest. If the President had proposed forty years, as the Senator from Ohio did, he would have proposed a scheme most ruinous to this Government. If the President of the United States had said "Let us propose to the bondholders to pay them an annuity of six per cent. for forty years, and they give up the capital," he would have proposed a scheme that would have taken \$2,000 out of the Government for every \$1,000 bond issued; but still, upon the principle of the Senator from Michigan, it would have been repudiation both of the principal and the interest.

I repeat that the difficulty of the President's scheme is that it is too short an annuity to be entirely acceptable. Still I venture to predict that the foreign creditors would rather take it to-day than take their money back and loan it at three per cent. It is vastly better for them than to take greenbacks. Suppose they took the greenbacks on the plan of the Senator from Ohio, [Mr. SHERMAN;] suppose the whole debt was paid to them in greenbacks, they refusing to take a three and sixty-five hundredth per cent. bond, what would be the effect? The greenbacks would fall instantly to about fifty cents on the dollar. They would therefore get but about five hundred dollars on each \$1,000 bond. The President's scheme is much better than that.

Let us suppose that a British holder of our

bonds (known as the five-twenties) has his option to-day to take his money for the principal or to receive six per cent. interest for twenty years and at the end of that term receive no principal. Say he holds the value of £1,000 in these bonds, and suppose that on receiving his money in gold he invests the amount in British consols at three per cent. interest. The price of the consols we will say is 90. He receives for his five-twenty bonds £1,000. It costs him ten per cent. exchange to remit it to England; so that with his £1,000 here he is in just pay for £1,000 in the British funds at 10. On this say he receives three per cent. interest for twenty years and at the end of twenty years sells his consols at 90, for £900. Now, calculate what at the end of twenty years he has received. It is £30 a year for twenty years, and at the end of the time £900 for his principal. A short calculation will show what this will amount to, allowing compound interest on the £30 a year for twenty years at three per cent.

Now, on the other hand, suppose that the British bondholder decides to take six per cent. per year for twenty years on his £1,000 and at the end of that term receive nothing for his capital. He receives £60 per year for twenty years by that statement. The first payment of £60 will almost double twice in twenty years at six per cent. and when you calculate, as can easily be done by any one disposed to look closely into this curious subject, it will be found that by consenting to take six per cent., or £60 per year, for twenty years and relinquish the capital at the end of the time he receives more than if he invests his money at three per cent. for twenty years and at the expiration of the time receives back his capital. What, then, would be his advantage if, instead of a twenty-year annuity at six per cent., you were to give him the same annuity for forty years?

It is said that we are bound to pay the interest for twenty years and then pay the principal, this is a mistake. We have a right to pay the principal to-day on the five-twenty bonds and thus stop the interest. What we are bound to do is to pay the interest for the time agreed unless we choose to pay the principal before that time. That is our contract, and not, as some seem to suppose, at all events to pay the interest or twenty years and then pay the principal.

Now, sir, I wish to have two things remembered: first, the President has merely suggested a proposition "or which" he says "the bondholders may not be averse to;" second, it is not by any means so ruinous a scheme for them as has been suggested. If it had been a twenty-five or thirty years' annuity, certainly if it had been a forty years' annuity, it would have been generous, liberal to the bondholders, and would actually have been very injurious to this Government. I think, when we view the matter in this light, or our wish, if any such exists, to

make out Andrew Johnson a bad man, a repudiator, ought to yield to our wish to protect the honor of the Government, and not have it believed that he has proposed a scheme of repudiation if he has not done so.

I have taken up the scheme of the honorable Senator from Ohio, and I have said that he cannot be called a repudiator. What shall we say of the honorable Senator from Massachusetts [Mr. Saxton] who has introduced a bill on the subject? Need I say that I do not mean to call him a repudiator when I comment upon his scheme. What is his plan presented in this bill? Why, sir, that we shall propose to the bondholders a forty-year loan at four and a half per cent. He sees the importance of reducing the vast amount of interest under which the people of this country are groaning, and he makes a proposition, of course to be accepted or not as the bondholders choose. Does that Senator remember that his proposition is worse for the bondholders than it would be if he proposed to give them an annuity for forty years at six per cent. and pay them no capital. I dare say if the Senator had been told that he would ever make a proposition of that kind, a forty-year annuity and the capital to be repudiated, and that he was a repudiator, he would deny it; but it would be better than the scheme he now proposes, and the Dutch and English and German bondholders would seize upon it with avidity. Let him offer them a forty-year annuity at six per cent. and at the end of that time to pay them no capital, and see what they would do. The English Government made the same mistake many years ago. They never found out the difficulty until Francis Horner pointed it out to them. They issued certain bonds at five and a half per cent. interest, the capital to be paid at the end of that time; but, thinking they would save something, they concluded to give six per cent. in the form of an annuity and no capital to be paid at the end. It was to run one hundred years and that one half per cent. difference in the interest, as Francis Horner showed them, amounted at compound interest to more than twice the amount of the bond at the end.

Why, sir, ten dollars per year for one hundred years is \$1,000 without interest; whereas at compound interest it is almost incredible to consider what it amounts to in that time. Compound interest increases so rapidly that Dr. Price calculated that one penny put at compound interest at the birth of our Saviour would have amounted in his time to many globes of gold of the size of this earth; and upon that he founded the plan of paying the English debt by a sinking fund, which Mr. Pitt adopted. The only difficulty was, they found they could not get the compound interest, could not always provide for it; it could not be paid. There were various reasons; but let compound interest go on and the debt would be paid in a

short time. One penny at compound interest would pay the debt a great many times over in the space of time mentioned by Dr. Price. Let me read on this subject the following extract from the Edinburgh Review, volume twenty-four, page 295. It is well known, says Dr. Price—

"To what prodigious sums money improved for some time at compound interest will increase."

And then he states, in a note, that—

"A penny so improved from our Saviour's birth as to double itself every fourteen years, or which is nearly the same, put out to five per cent. compound interest at our Saviour's birth, would by this time—that is, in seventeen hundred and seventy-three years—have increased to more money than would be contained in one hundred and fifty million globes each equal to the earth in magnitude, and all solid gold."

In a note upon this note his accurate friend, Mr. Morgan, nicely observes, that a penny improved so as to double itself every fourteen years would have accumulated only to one hundred and seven millions of such globes, just forty-three millions fewer than the Doctor had calculated; but this, Mr. Morgan wisely observes, is abundantly sufficient to prove the strength of his argument."

The President undoubtedly had all these things in view. I have had no conversation with the President on the subject; I know not what his views were; but I have not the slightest idea that he made this proposition with any view to compulsion. He is acquainted with the subjects which he attempts to discuss. It was a scheme that might be accepted and would be accepted if the time were extended. Let him make it thirty or forty years, and I vouch for it it will be seized with avidity by the foreign bondholders.

Now, sir, I do not propose to vote for the President's plan. I propose to offer an amendment to this resolution suggesting that he has at the same time proposed to keep the public faith, so that we may not say to the world that the President of the United States is a repudiator. As I said before, the Senate ought rather to say to the world that he is not. His proposition, though perhaps rather darkly expressed, is in fact not compulsory, but an offer made which he thinks the bondholders may not be averse to; and I have now shown you, as sensible men, that it is not such a disgraceful and outrageous proposition, as the Senator from Michigan states, but that if it had been for ten years longer it would have been very liberal on our part, and if for twenty years longer extremely injurious to the Government. This is a matter of arithmetic. Anybody can understand this. There is no difficulty about it.

In connection with this subject we have before us the vast question of our national debt and what action we shall take with regard to it. It is a question of immense importance, momentous in its consequences, and cannot be overlooked or neglected. Why, sir, under what are we now suffering in this country? There seems to be a difficulty in determining what is the trouble and what is its cause. We know that

there is a tremendous pressure upon us; we know that there is a weight bearing us down; that business is prostrated; that everywhere men are disheartened and perplexed. We hear every day of commercial failures in New York and elsewhere. Why is it? The election of General Grant was to restore prosperity. If that was expected it was asking too much of that election.

Now, I will undertake to say what I think is a portion of our difficulty. I believe to-day that one great cause of our difficulties is the enormous amount of interest the Government is paying—not in consequence barely of the amount which the Government pays. The Government may pay six per cent. interest without being utterly ruined; but what follows? Suppose an individual has occasion to borrow \$1,000, and asks his neighbor to loan him that sum, what does he say? "I cannot take less interest than the Government pays me; I am receiving nine per cent., and I must have that; I think I ought to have ten, and if I change my investment I ought to have twelve;" and it is paid. I tell you, sir, the average rate of interest is raised all over this country in all the business relations between man and man, and no part of the country suffers from it more than the very section from which the honorable Senator from Indiana comes. In the State of Indiana the average rate of interest is not less, in my judgment, than ten per cent. Can men in business make money and pay ten per cent. interest? So long as this Government pays six per cent. interest in coin, and we have a depreciated currency so that it amounts virtually to between eight and nine per cent., every man in the country has to pay the same or more. In all the relations of business between man and man the rate of interest will be more than the Government is willing to pay, and business will be crushed out beneath the weight of this load of interest. There is the trouble. Still, even the Senator from Indiana, [Mr. Morton], with all his knowledge upon this question and his immense ability, does not see fit in his comprehensive survey of our situation to enumerate that as one of the troubles under which we labor.

Now what can we do? Can we reduce this rate of interest? Our thing we have a right to do; we are bound to pay the funded debt, and we have a right to pay it in some form. The Senator from Indiana yesterday gave us to understand that to pay the funded debt to-day without paying off the legal-tender currency would be a crime, and he declared to us that by so doing we should be on a par with the man who put off his daily debts to his laborers to pay his long acceptances. That, he says, would be the comparison that ought to be made if we allow this floating debt to continue as it is and pay in any form the national debt; that is, the inter-

est-bearing debt. I say, on the contrary, we have a right to pay it; it is no crime to pay it. And if the creditors object to payment of the principal then they must accept a less rate of interest.

What, then, shall we do? How shall we pay it? The Senator tells us that there is a peculiar sacredness about the legal-tender currency by reason of which it ought to be paid off to-day.

Mr. MORTON. I should like to ask the Senator whether he proposes to pay the bonds now or to shelve them?

Mr. DIXON. When I say pay I mean pay. I say we have a right to pay them. I do not say we have a right to shelve them. I say we have a right to pay the debt. We have also a right to buy them in the market. The Senator says—I have a language before me—that it is a crime to pay the funded debt before we pay the floating currency of the country, the greenback currency, and he says that currency cannot be paid under three years. To pay off the national debt and stop the amount of interest before that time has arrived is piracy and robbery according to the honorable Senator.

I think the honorable Senator entirely mistakes the relation of the debt and the people. He compares it to a debt between individuals. He says if A owes B, A is bound to pay; if he does not, it is repudiation. There is a certain degree of truth but also a great fallacy lurking under the Senator's proposition. What is this debt? It is the debt of the people to the people. It is the people's own debt. Who owe it? The people owe it. To whom is it due? To the people. That is the condition of the national debt to a certain extent; but a portion of that debt is not owned by the people of this country. There is not a dollar of the legal-tender currency which is not held by the people of the country. A large portion of the undred debt is held out of the country. If the people of this country find that it is for their benefit to allow the debt due from themselves to themselves to float among themselves as currency for their business, having no other, is that such an atrocity as the Senator has represented it? With his ingenuity and his ability he may make it appear to be a criminal matter; but certainly it is far from being so. It is a matter of convenience which shall be first paid, the interest-bearing debt or the other. The people of this country finally pay it all. It comes out of their labor. If they find it more to their interest to pay the funded debt and stop the interest than to pay the debt which takes the form of currency between themselves, they have a right to do so. It may be a matter of uncertainty and doubt as to which is the best policy; but when it is treated as a crime, and we are told it must not be done lest we should become pirates and robbers, it is certainly a misapprehension of terms, a misuse of language.

The Senator has presented here a scheme which, I must say, I am compelled to disapprove. I have examined it, and I listened to his able speech, much of which I agree with, and all of which I admire for its ability. But I think his scheme, if carried out, would be a scheme of protracted agony, of long-continuing misery up to the time when he proposes to make specie payments to be made. Let that scheme be carried out, and everything under which we are now suffering would be intensified, in my judgment. What does he propose? He proposes to hoard gold for a long period; he proposes that the banks shall keep all the gold that is paid in to them; he proposes, in short, a scheme which would compel that which he considers injurious, contraction. He declares that the Government must not contract. But suppose the banks contract in the way proposed? I will not go into that. I have not time nor strength to go through the whole of that subject.

The Senator supports his plan by what seem to me to be some very great and very alarming fallacies. In the first place the Senator commences by telling us that the currency is not expanded to a very great extent more than in 1860. How does he show that? He adds some items to the currency that I never heard called currency before except by Mr. Micawber. He declares that promissory notes and bills of exchange constituted at that time a part of the currency, and should be offset against our currency now, thus showing we had the same amount then as now. There may be a case in which a bill of exchange payable at sight may come to be considered a part of the currency, although as a general rule it is not. It is the same as a check on a bank. Is that currency? Suppose the Senator goes to his bank and takes out money, gives his check for it himself, and pays it out, are both the check and money to be considered currency? What difference does it make if he gives me the check and I get the money? The check is not money. It is a mere voucher, proof, evidence that a certain amount of money has been paid upon it. But he makes both currency. Then he speaks of promissory notes. I will read what he said upon that, for it struck me as a very singular idea in regard to promissory notes and their nature:

"It is said by many that the currency is redundant and that we cannot return to specie payments until contraction has taken place."

Then he goes on to calculate what the amount of the currency is. He says:

"The bank notes of the northern States were not current in the southern States, and vice versa; hence the payment of debts and commercial transactions between different parts of the country were conducted by bills of exchange and promissory notes, which amounted to many hundred millions of dollars during the year."

I never heard of any one who considered

that a mode of payment except our distinguished friend, Micawber, who felt his mind entirely relieved when he had given his note; the thing was then off his mind and honorably settled and paid. Promissory notes were given, and are still, but they paid no debt; the debt still existed. But what does the Senator go on to say? He says, they now being out of the question, there is \$100,000,000 of currency used in their place sent by express agents. He admits, then, that the currency is vastly increased and inflated to that extent.

The question is, whether there is a greater amount of currency now in existence and afloat in the channels of business than there was in 1860. The honorable Senator says there is not. I think that is an alarming idea, because I undertake to say that among the causes of the depreciation of the currency is the amount of it now outstanding, which, as I shall hereafter show, he says has no effect as a cause of its depreciation. One great difficulty with this is the amount of our floating currency as well as the amount of our funded indebtedness. I began by saying that the weight of our immense burden, the inconceivable amount of our funded and floating debt, was the evil under which we are suffering, and the vast amount of interest also paid upon it and upon all business loans by the people of this country. I should not comment upon this mistake which I think the Senator has made if I did not think it an alarming idea to go out to the country; because what follows? If the currency is not expanded, if that is not an evil, if the depreciation has not been caused in any degree by the expansion, then we may expand still further without causing any further depreciation. If the Senator is correct, you may *unwind*, if I may use the expression, the whole national debt without depreciating the national currency; for what does he further tell us? He goes on to say that the amount of the currency has nothing to do with its depreciation; and he actually says that if the amount of currency was only \$1,000,000, if it was irredeemable and unredeemed, it would be depreciated as it is now.

Mr. MORTON. I do not wish to interrupt the Senator, but he is mistaken. I did not say in my speech that the amount of the currency had nothing to do with the depreciation of it. I said the existence of the bonded debt was not the cause of the depreciation of the currency. I argued that the currency was not redundant; but I did not say anywhere that the amount of the currency would have nothing to do with the depreciation of it, because that would not be true. If there was an excess of currency that very fact might increase the depreciation. But I said the existence of the bonded debt had but little to do with the depreciation of the currency.

Mr. DIXON. If the Senator will allow me

to read from the report of his speech, whether authorized or not I do not know, in the National Intelligencer, he will find I have not misrepresented him. He says:

"Here the Secretary reiterates his former opinion, that by largely contracting the paper currency that it would be appreciated to par. How such contraction would have this result he has never shown, and the opinion results from a misapprehension of the causes which depreciate the paper currency. Suppose the greenback currency was contracted down to one hundred millions, could the remaining hundred millions be brought to par in any other way than by making arrangements to redeem it?"

Is not the inference from that directly that the reduction to one hundred millions would have no tendency to bring it to par? But he goes on further:

"You cannot pay a debt without paying it, and every trick or device to bring the currency up to par without making preparations to redeem it according to the promise on its face will be abortive and disastrous. The currency is depreciated because it is overdue and dishonored, draws no interest, and there is no time fixed or opportunity for any redemption; and these causes would depreciate it if there were but one million of it adrift."

He does not say depreciated to the same amount, but that seems to be the inference, because he has told us he does not agree with the opinion of the Secretary that contracting the paper currency would appreciate the balance to par. Now, let us take an example. We will take A and B, each worth \$100,000. A has \$10,000 of irredeemable paper in circulation, and B has \$1,000 of the same kind of paper in circulation. Which of those liabilities would be the most depreciated? I take it, one of the first questions a broker would ask, in considering the value of the paper, would be, "How much of it is on the market? How much of this paper is in circulation?"

It is too plain for argument that the amount of our currency is one of the greatest causes of its depreciation. There are other causes to which I shall allude. Elementary writers on this question state that there are two causes which go to the depreciation of public funds. The first is a doubt as to their payment, whether they will be finally paid at all. The second is their vast amount. It will be observed that the second reacts upon the first. But aside from that, if you declare that it is perfectly certain to be paid, when you and the amount vast, it is depreciated in the very nature of things, precisely as gold would be depreciated if the amount of it in circulation was enormous. If we had a currency of \$2,500,000,000 of gold to-day, the very fact of its amount would depreciate it. It would become comparatively worthless in consequence; it would buy less. If that is true of gold is it not equally true, and still more true, of paper, aside from any question as to the ability of the party to pay?

As I said I should not have commented upon this, although I confess I think it a dangerous fallacy, if the Senator had not gone further

The Senator proposes to force the resumption of specie payments by legislation, and he has a long-continuing plan by which we are to reach it. I must say I think the plan of the Senator from Massachusetts [Mr. SUMNER] is

It appears by the tables of the price of bullion, published by order of the House of Commons, that until 1801 bank notes were on a par with gold. In 1801 and 1802, however, they were at a discount of 10 per cent, and in 1803 at a third per cent., but they again recovered their value; and from 1803 to 1809, both inclusive, they were only at a discount of 2 per cent. In 1804, 1805, 1806, and 1810 the directors appear to have totally lost sight of every principle by which their issues had previously been governed. The average amount issued in 1804 exceeded £17,500,000, in 1805 £18,000,000, in 1806 £18,500,000, or fallen short of £10,500,000 in any one year, from 1807 to 1808, both inclusive, was in 1807 £12,000,000, and in 1808 £22,541,000. — *Edinburgh Review*, vol. 25, p. 477.

Then thrifter goes on to comment on what was the effect of the act of Sir Robert Peel, of 1819, to restore specie payments, and he says that that bill did not restore specie payments, that they were already restored by the operation of various causes, and that the act only confirmed what already existed, and even then, before the act was allowed to go into force, a tremendous effort was made to repeal it, because that act, although specie payments were almost restored, and the only difference between gold and paper was two per cent., shook the whole commercial fabric of business in England and brought immense ruin in its train. Now, sir, what will be the effect of an act here establishing by a rigid rate specie payments at once, day with right, and at four per cent. discount? It is impossible to imagine it, if we may judge by what took place in England under the same circumstances, or I may say very different circumstances, because

which he proposes to take out of the channels of business and to accumulate during three years will not be sufficient, after all the injury that that accumulation has wrought, to enable the Government to maintain specie payments, unless renewed prosperity shall enable the country to do so.

Now, let me refer with regard to this hoarding of gold—and I do it in no party sense—to the sub-treasury law. What was our idea in that? It seems to be thought now that the hoarding of gold is of no consequence in this country, because, we are told, it is merchandise, is it not? Calling it merchandise makes no difference; it is still gold, still money; and you propose to hoard up \$200,000,000 or \$300,000,000 under the pretext that it is merchandise, like corn in a crib or wheat, and you say that will not derange the finances of this country. There are those here who recollect what was the supposed effect of the sub-treasury scheme. There are some who think it had no effect, the operation of it being on so small a scale. But in 1857 we knew it was in full force and effect, and in 1857, while that scheme was in full force and effect, the most ruinous evulsion happened that ever happened in this country, and every bank in the Union was compelled to suspend specie payments. The advocates of that scheme, which was a scheme for hoarding gold precisely like this, told us that there never could be a revulsion, provided the Government would keep a large amount of specie on hand. In 1857 they had a large amount on hand, and continued specie payments, and were the only parties in the country who did. Not a bank in the Union paid specie; and not only that, values went down, stocks depreciated. The banks were not only unable to pay their debts in specie, but their stocks went down. The average rate of bank stocks in the city of New York at that time was about fifty cents on the dollar, and so of stocks and property all over the country.

I do not say that we ought to make no effort, therefore, to relieve ourselves from this condition, because I think legislation may do something. We may try experiments. They may turn out different from what we suppose. What is the cause of the depreciation of our paper currency? I propound that as a question to the Senate. If they can explain it to me they can answer a difficult riddle.

Why is it that the currency of this country is so depreciated? Is it a thing which other Governments have been subject to? In France the *assignats* were, it is true, depreciated; they were utterly worthless finally, and went down to nothing. But how about Bank of England notes after the battle of Waterloo? They were irredeemable. The bank was authorized by act of Parliament to refuse specie. The amount of their notes, it is true, was not so great as ours. It was only about one hundred

million dollars, somewhat over twenty million pounds at the outside. But the depreciation the moment that Napoleon was conquered at the battle of Waterloo was only about two per cent., and it remained at that figure from that time, with one exception in 1815, when, as it appears, probably on account of speculation resulting from the fears entertained of Sir Robert Peel's bill, the premium went up to six per cent. for a short time; but before the bill went into effect, and at the time of its passage, bank notes and specie were nearly at par.

Now, I say, if any Senator can tell me why it is that our paper money is depreciated I should like to have him explain it. Is it because our Government has no credit? Is it because it is supposed that the debt will never be paid? Is it because there are repudiation schemes abroad? Not at all. Every scheme of repudiation has been put down, as gentlemen themselves say, by the voice of the people. Nobody proposes to repudiate. Everybody declares that the debt must be paid. The President himself, whom you stamp as a repudiator, or attempt to, says the debt must be paid; that the national credit must be preserved.

What, then, is the cause of this depreciation? I have already stated that its vast expansion is the principal cause of its depreciation, taken in connection with the amount of the bonded debt. I will suggest another reason. This Government is dishonoring its own paper, and has been for the last five years. It refuses to take its paper for the very purpose for which it is wanted; that is, in the payment of import duties. Suppose you went further; suppose after having refused to take it for your tariff duties, you refused to take it in payment of internal revenue taxes; I ask you how much lower it would be then? Does any body doubt that such a refusal on the part of the Government would carry it down still lower?

On this subject we have the light of experience. In the year 1861 we passed an act issuing \$50,000,000 of paper money, which we declared should be receivable for tariff duties, and all other dues to the Government. We did not make it a legal-tender. We did not clothe it with that sanction. We only declared that the Government would not discount its own paper, but would take it for duties on imports. What was the consequence? For a long period of time you found that paper quoted in the newspapers at par with gold. While the balance of your Treasury notes went down till gold was at a premium compared with them of 180, that irredeemable paper dollar of the Government receivable for duties was on a par with gold.

It may be said, where will you get your gold with which to pay the interest on the debt if you do not require the duties to be paid in gold?

If it is true that the depreciation of the currency is occasioned by your discrediting your own paper; then if you take off that discredit and thus raise your paper to near par you could buy gold very easily without much loss. If you have caused the discredit in that way, by removing the discredit the difference between gold and paper is nothing; it is immaterial. I think there may be the great error that we have committed. I do not know whether it could be remedied now. I am inclined to think that the removal of that discredit might have a very great and favorable effect; I doubt very much whether it is not true to-day that the fact that the Government rejects and refuses and discredits its own paper at the custom-house has a very great effect upon the depreciation of that paper everywhere. If so, it has been a very costly experiment. It never was done anywhere else. Did the British Government do it? Did they refuse to take Bank of England notes for duties and for all debts to the Government? Not at all. They received them for everything. They were a legal tender for everything, and even were paid for the interest on their debt, which they were solemnly bound to pay in specie, but refused to pay, and paid in paper, and now call us repudiators because some propose to pay ours in paper. What did they do from 1801 to 1821? They paid all their interest in Bank of England notes, part of the time depreciated, and received it for every debt of the Government. In consequence of its being received the depreciation was very slight.

I think another cause of the depreciation of our currency is the enormous expenditures of the Government. I do not say that in any party sense. I am not talking as a partisan. The time for that has gone by. But we have raised, say, \$1,500,000,000 in taxes since the war closed. That money has been paid out for various purposes. How much of it might have been saved? Why, sir, if we had come here with a self-sacrificing spirit at the close of the war and determined to do our duty, to cut down every expense, to refuse to raise every dollar—*not* excluding our own; if we had come here in a spirit of self-sacrifice and said we will stay here and do our duty and not ask that our own salaries shall be raised, nor will we raise any others, nor will we pay a dollar which is not inevitably necessary, I believe our paper money to-day would have been nearly as good as gold.

The reason why I comment upon the Senator's statement that the amount of our debt and the amount of our paper currency has nothing to do with this depreciation is because I think it leads directly to this spirit of extravagance. If he is correct, it is comparatively no matter how much we spend; our paper is not depreciated; our debt is nothing. I beg leave to say to you, Mr. President, that our

debt is a rather serious thing. It is a great, enormous fact, tremendous in its consequences. I trust in Heaven it will be paid in all its parts; but I tell you, Senators, you have a duty to perform in regard to it which is not to be shirked off, nor to be avoided by claiming that its amount is of no consequence and has no effect upon the value of money.

It is very popular in stump speeches and in popular assemblies to tell the people that they have vast resources; that they possess an immensely rich country; that they owe comparatively nothing. Sir, the national debt is a mortgage upon one fifth of all the personal property of the country, and it is a very serious question how it shall be paid. When the President of the United States proposes a plan which may be unwise, what is said? He is denounced as a repudiator, and our credit is sunk still lower than it was before for the sake of getting an opportunity to injure President Johnson.

Now, sir, the first thing which I would do to raise the credit of our country would be, as I have said, to adopt a rigid system of economy. I think that the Senate of the United States and the House of Representatives should pass a joint resolution declaratory of their purpose to enter upon and persist in at all hazards a system of rigid, unbending economy that should yield to no appeal, and pay out nothing that was not absolutely necessary. That mere fact would benefit our public credit much more than the resolution which is now proposed. I would stop everything; I would stop even the Pacific railroad if necessary; I would not pay out another dollar, except for purposes of absolute necessity, until our credit was restored. I say I would stop the Pacific railroad if necessary. I trust it would not prove necessary. The honorable Senator from California [Mr. CONNESS] looks alarmed. I do not wish to cut off intercourse with him when he and I retire to private life; but I say, rather than repudiate the public debt, cut even that off. I would stop the purchase of real estate from foreign Governments. I would not buy Cuba. I would not buy Mexico. I would pay our debt; and when our debt was paid, if we had any money to expend in foreign luxuries, in the form of icebergs or torrid zones, I would then indulge in them.

What would be the next step? Then—and here I am perhaps encroaching upon party ground—I would adopt a system of policy like that pointed out by my honorable colleague [Mr. FERRY] the day before yesterday. I would extend to the people of the South the hand of friendship and kindness. I would remove all their political disabilities. I would invite them to this entertainment of paying our public debt, and let them join us in it.

Now, sir, I have a few words to say with regard to that plan of my colleague. I have

nearly concluded what I had to say on the financial question; but I have a few words to say with regard to the speech of my colleague in connection with this subject of restoring our national credit. He proposes two measures: on a joint resolution to repeal the disabilities made by the fourteenth amendment to the Constitution, and the other a bill which does not require a two-thirds vote. I thank my honorable colleague for those two measures, and I thank him for his speech upon them. The honorable Senator from Nevada [Mr. STEVENS] proposed a scheme which called upon my colleague—a scheme which seems to me utterly shocking in its character, proposing to create a new set of crimes, proposing to make it a crime in the United States of America for a citizen to hold an office. The comment made upon that by my colleague was sufficient, and I will not add to it. The only fault I had to find with my colleague's speech was that it was a little too late. If he had made that speech a year ago he would have stood with me and with my friend from Wisconsin, [Mr. DOOLITTLE], and he might have done some good. I am not too late now for some benefit to result from it. While I am up I will read a few extracts from it. He is speaking of the laws which we adopted last year, against which I protested, against which I took the liberty to make a speech, imposing political disabilities upon a portion of our own people. He says:

"These laws, blinding and restraining the suffrage, serve now only to gail and irritate, and to do no good whatever, unless, indeed, sir—that which I too often hear and to often read in the newspapers—are here to continue disabilities upon those people for the purpose of maintaining the ascendancy of the Republican party in those communities; and I take it that legislation for such a purpose as that, or for any merely partisan purpose, is not to be entertained by the Senate of the United States."

"Well, now, sir, is there any necessity that the fragment that remains of the operation of these limitations upon the suffrage should be continued? And if there is not; if the original necessity of these disabilities of both kinds has passed away, has actually been driven out of existence by the action of the people of the United States in the recent presidential election, why should we retain it here longer?"

"We want them to come back to build up a strong, free, and enduring nationality; and it is true, Senators, that the disabilities imposed by the third section do deprive the States and the Republic of the assistance and services of the greater portion of the intelligence, the culture, and the property of those communities."

Precisely what I objected against the bill a year ago. He goes further:

"But the imposition of your disabilities goes further. It attacks broadcast all over the South a race of politicians, outlaws, sullen and discontented, from the feeling, right or wrong, that they are suffering injustice, and as naturally enough so fits them to become centers of conspiracy."

That is an objection which occurred to me and which I attempted to express. I thought it would reduce that effect. And still every day, although by our legislation we have made them centers of conspiracy and made them

outlaws, we are hearing complaints continually because they are disquieted and uneasy. It reminds me—to quote Dr. Johnson again—of what he one day said to Boswell. He told Boswell he had seen that day an instance which manifested human nature to him in a new light. "I was passing a fishmonger's stall and I saw the fishmonger skinning an eel alive, and he was cursing the eel because it would not lie still." [Laughter.] That is precisely what we are doing in regard to the South, according to the Senator's own statement, skinning them alive, imposing disabilities upon them, making them outlaws, and cursing them because they will not lie still. I think their misconduct, if there has been any misconduct, has been greatly overrated. I have no doubt there has been some misconduct, but I do not believe it to exist to the extent that my friend from Massachusetts [Mr. WILSON] does, who told us that one individual killed one hundred and twenty-four men. I do not think a manslaughter is abroad to that extent. That was an idle boast. There has been some illegal action undoubtedly. What is the cause? My colleague answers that question. He says our legislation makes them "sullen and discontented outlaws." Let that answer be spread broadcast before the people of the State of Connecticut, and there is my vindication, for which I most profoundly thank my colleague.

Mr. CONNESS. Will my friend allow me at this point to make a suggestion merely?

Mr. DIXON. I rather prefer, as I am so nearly through, that the Senator should wait; he will have an opportunity in a few moments. Now, sir, what I want is precisely what my colleague wants, with one or two exceptions. He proposes to amend the Constitution of the United States in a manner which to me is very revolting, not because I hate negro suffrage, but, sir, I do desire that the proud old State of Connecticut shall not be humbled in the dust. Having enjoyed the right of suffrage and of regulating her own suffrage for more than two hundred years—longer, I believe, than any State in the Union—I do not desire that at this late day she should be compelled to submit to the commands of the State of Massachusetts or any other State with regard to who shall vote within her borders; and I do most deeply regret that my colleague feels it his duty to support such a constitutional amendment. When I called attention a year and a half ago to the proposition of the Senator from Massachusetts [Mr. STEVENS] to establish negro suffrage in Connecticut and other States by act of Congress I was regarded as attempting to excite a false alarm. Sir, I knew what was coming. I saw it then. That Senator never has failed in any of his attempts. Some Senators resist him for a while, but all must eventually yield. I say it in no sense of

reproach. The fact is, extreme men in a party always do carry their point.

When the honorable Senator from Massachusetts proposed his scheme I predicted when I reached home, in a speech which I there made, that the time was near at hand when the proud State of Connecticut would see herself compelled to accept a suffrage law from Massachusetts. Massachusetts is a great State, and we are ready to take advice from her at any time, but compulsion is hard to submit to.

I deeply regret that my colleague deems it his duty to support that measure. I had hoped his course would be the other way. If he will consent that when the measure is forced upon us it shall, by the terms of the resolution proposing it, be submitted for adoption to a convention of the people of Connecticut chosen for the purpose, instead of the Legislature; if the people of Connecticut by a convention consent to it, I will not object. If the people of Connecticut do not fit to alter their suffrage law I am perfectly willing. I think a constitutional amendment on the subject is submitted to the States it ought to be provided that it shall be ratified by conventions chosen for the purpose, and not forced through Legislatures chosen for another purpose. The latter would be a fraud upon the people.

On looking at a speech which I made less than a year ago, among other things I find language which he has almost repeated with regard to the disabilities imposed upon the people of the South. I then said:

"I find, sir, under this law, that almost every man capable of holding the pettiest office comes under the ban of your proscription, and is to be allowed no share in the government of the community in which he lives."

The Senator says that a large portion of the property, intelligence, and culture of the South is excluded. I added:

"How is this done? Not on the face of the law, but in a manner furtive and devious. The former proposed amendment to the Constitution provides that a certain specified class, including all who ever held any military position, its contempt of statutes, be deprived of the privilege of holding office under the State or Federal Government. The reconstruction law simply provides that all who, by this proposed amendment, were to be excluded from office, shall be refused registration as voters. Thus the work is done."

And that is the work the Senator proposes to undo. I said further:

"How many white men are thus reduced to a political condition beneath that of their former slaves? It is difficult accurately to ascertain. The Senator from Indiana [Mr. MORROW] admits the number to be fifty thousand. I have no doubt, judging from the effect which such an exclusion would have if existing in my own State, that the number disfranchised in the entire South is at least two hundred thousand. But take the estimate of the Senator from Indiana, namely, fifty thousand; this number accomplishes the object of the disfranchisement."

Now, the Senator himself declares, as I have already read, that a class quite as large as that which I specified in my remarks have had dis-

abilities imposed upon them, the effect of which has been to make them outlaws, rebels, and to make them necessarily centers of conspiracy. He speaks of the necessity for it. Why, sir, it is as necessary now as it was a year ago. He says, or the inference is, that the only necessity for it now is to keep in power the Republican party. He says the newspapers advocate it for that purpose. Why, sir, they advocated it for that purpose then. It may have been a little disguised; but does not the Senator know that that was the whole object and purpose? If that is atrocious now, was it righteous then? All that can be said in regard to it now might have been, and was by me and others said at that time. The Senator, therefore, as I say, was only a little too late in his remarks.

Now, one other thing I beg to observe, not for the purpose of showing inconsistency in my colleague, but for the purpose of showing the extent of candor to which he has now reached. He said a year ago that they were not disfranchised; that the disfranchisement already existed; and that we had only refused to enfranchise them. I thought then he was mistaken. He now sees what was then the truth, that we had by legislation "imposed disabilities" upon them.

I do not like, Mr. President, to refer to remarks which I have made here in former days; but I will take the liberty, as I desire to have them go upon the record, of reading a few more words from the speech which I then made upon this subject, with which I will close. I said:

"If my voice could reach them I would entreat them to cast their eyes backward on the events of the last three years and calmly consider whether all that they apprehended as the consequence of the radical policy has not been more than realized. Do they find in its full development anything which invites them to aid in establishing it as the permanent policy of the Government? Do they not see more plainly than ever that this policy is incompatible with constitutional freedom and the true interests of the people? It is now fully exposed to their view, with all its military despotism, its contempt of the supreme judicial power of the nation, its usurpation of executive authority by Congress, its instigation of a conflict of races for supremacy by refusing to an immense class of white men the privilege of suffrage granted indiscriminately to uneducated blacks."

The very thing which now shocks my colleague—

"its sectional bitterness, its spirit of undying revenge, its gospel of hereditary hatred."

That was thought to be unjustifiable language by many when I used it; but I ask my colleague if it is not borne out by what he himself has said in his speech, if we have made them outlaws and rebels and centers of conspiracy, which I conscientiously believe, as he does, to be the case—

"It is in the power of this great body of intelligent conservative voters, with whose party ties are less strong than love of country, to overthrow this

policy and restore peace, good-will, and unbounded prosperity to a suffering and distracted people."

I wished to overthrow this policy then. One year only elapses, and my colleague wishes to overthrow it now. I then added:

"It is in their power even now to compel the adoption of a policy modified and amended in the manner proposed by the Senator from Wisconsin, consistent with all the rights of humanity in which the intelligent minds of the North and the South shall cordially agree and which shall harmonize conflicting opinions in both sections.

If they exert their power, and, by a united effort through the ballot-box, accomplish this great work, our Union may yet be restored upon the constitutional basis, the rights of every human being may be protected, liberty may be established upon the sure foundation of law, and, through all the years of the

nation's life, the people of the North and the South, having no further possible ground of quarrel, may become more and more harmoniously joined together in the willing bonds of fraternal union. But if the policy and the spirit which now control our legislation are to receive the popular sanction, and be perpetuated, our history will be no longer a glorious record of human progress and of unexampled national and individual prosperity, but its dark and bloody pages will be written, like the roll in the vision of the prophet Ezekiel, within and without, with lamentations and mourning and woe."

That is what I thought would be the effect of these measures less than one year ago. My colleague now proposes to strike them all out for the reasons which he has given. I approve of his reasons, and I shall vote for his proposition.

**END OF
TITLE**